

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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INDIANAPOLIS, INDIANA 46204-2764

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JOINT PETITION OF INDIANA BELL)
TELEPHONE COMPANY, INCORPORATED)
("SBC INDIANA"), UNITED TELEPHONE)
COMPANY OF INDIANA, INC., D/B/A SPRINT)
("SPRINT"), AND VERIZON NORTH INC. AND)
CONTEL OF THE SOUTH, INC. D/B/A VERIZON)
NORTH SYSTEMS (COLLECTIVELY)
"VERIZON"), FOR THE COMMISSION TO)
DECLINE TO EXERCISE ITS JURISDICTION)
OVER, OR OTHERWISE RESCIND, AMEND OR)
WAIVE CERTAIN BILLING REQUIREMENTS)
FOR JOINTLY PROVIDED PRIVATE LINE AND)
FOREIGN EXCHANGE SERVICES, INCLUDING)
THE SINGLE BILL REQUIREMENT,)
ESTABLISHED BY THE COMMISSION'S)
OCTOBER 20, 1993 ORDER IN CAUSE NO. 38269.)

CAUSE NO. 42864

FILED

DEC 02 2005

INDIANA UTILITY REGULATORY COMMISSION

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused this entry to be made:

The Presiding Officers, having reviewed the pleadings and being duly advised in the premises, hereby find that Joint Petitioners shall answer the following questions on or before December 7, 2005.

1. In Scott McPhee's Direct Testimony, on page 4 line 21 to page 5, line 3, he indicates that the Commission has declined to exercise its jurisdiction over retail pricing, terms and conditions of "Private Line Services."

a. Please identify the Cause Number and Order in which the Commission declined jurisdiction over private line services.

b. Does the definition of "Private Line Services" for the purposes of Commission jurisdiction include those special access charges billed by the non-billing carrier for the use of its facilities to provide private line services?

2. With regard to Commission jurisdiction over customer billing and intercompany compensation arrangements for Private Line and FX services:

a. Are Joint Petitioners asking the Commission to completely decline its jurisdiction?

b. If the answer to Q 2.a. is "no," are Joint Petitioners asking for the Commission to approve the replacement of the SBO with Multiple Bill/Multiple Tariff ("MB/MT") as the method of billing customers of jointly provided Private Line Services, with continued Commission jurisdiction over this subject matter?

3. On page 8 lines 14-17 of Scott McPhee's Direct Testimony, he indicates that under the proposed MB/MT arrangement, each carrier that contributes facilities to a private line circuit would only bill for "the relevant charges for the portion of the circuit that [it] has provided, based on the [its] Private Line tariffed rates." Would this MB/MT proposal permit non-billing carriers that under SBO receive revenue based on special access rates to instead receive compensation according to its Private Line tariff rates instead of special access rates?

4. On page 9 lines 1-2 of Scott McPhee's Direct Testimony, he indicates that MB/MT arrangement is used for interstate and intrastate switched and special access services. Please identify the Cause in which this Commission approved MB/MT for intrastate switched and special access services.

5. On page 9, lines 5-12 of Scott McPhee's Direct Testimony, he indicates that MB/MT is used by Joint Petitioners in other states in the former Ameritech region. Please provide the Cause Nos. and dates of orders in which MB/MT was approved for use in those states.

6. On pages 9 line 21 to page 10 Line 2 of Scott McPhee's Direct Testimony, he indicates that "the proposed change will permit each of the providers...to be clearly identified to the customer and permit each provider to have a direct relationship with the end user customer."

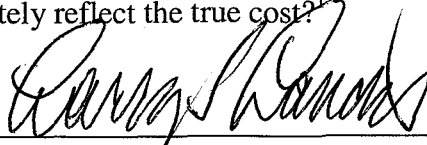
a. Is an end-user customer of private line and foreign exchange services simultaneously a customer of both the Private Line Provider (billing carrier) and any other carrier(s) (non-billing carrier[s]) that is/are providing facilities (at special access rates) to the Private Line Provider?

b. If the answer to Q. 6.a is "no," is the end-user customer only the retail customer of the Private Line Provider, with the Private Line Provider being the wholesale customer of other carriers that provide the special access service and facilities that enable the Private Line Provider to serve its retail customer?

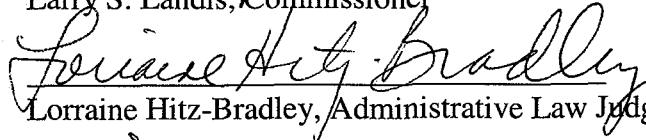
7. On page 11 lines 1-4 of Scott McPhee's Testimony, he indicates that the MB/MT arrangement "will eliminate the cumbersome intercompany compensation arrangements that currently exist between the companies." Under the MB/MT arrangement will the heretofore non-billing carrier simply be billing multiple end-user customers instead of collectively billing the theretofore only end-user customer billing carrier for the use of its facilities? If that is the case, what efficiencies are gained by billing each separate end-user customer instead of billing a single carrier collectively for all end-user customers?

8. In Cause No. 38269, PLP carriers were given the option of billing their tarified rates for their portion of the circuit and "passing through" the costs associated with the AP's portion of the circuit. What is the reason that this method is not used, since it is designed to accurately reflect the true cost?¹

IT IS SO ORDERED.



Larry S. Landis, Commissioner



Lorraine Hitz-Bradley, Administrative Law Judge

Date: December 2, 2005

¹ See, *Order on Private Line Services*, Cause no. 38269, issued October 20, 1993, p.3.